6 September 2018

Accessing the NPP

NPPA Webinar

New Payments Platform

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Accessing the NPP

"The New Payments Platform has been designed to support fair and open access. It is the first clearing and settlement system in Australia to be designed with access as a primary objective"

New Payments Platform Australia Productivity Commission Submission
March 2018

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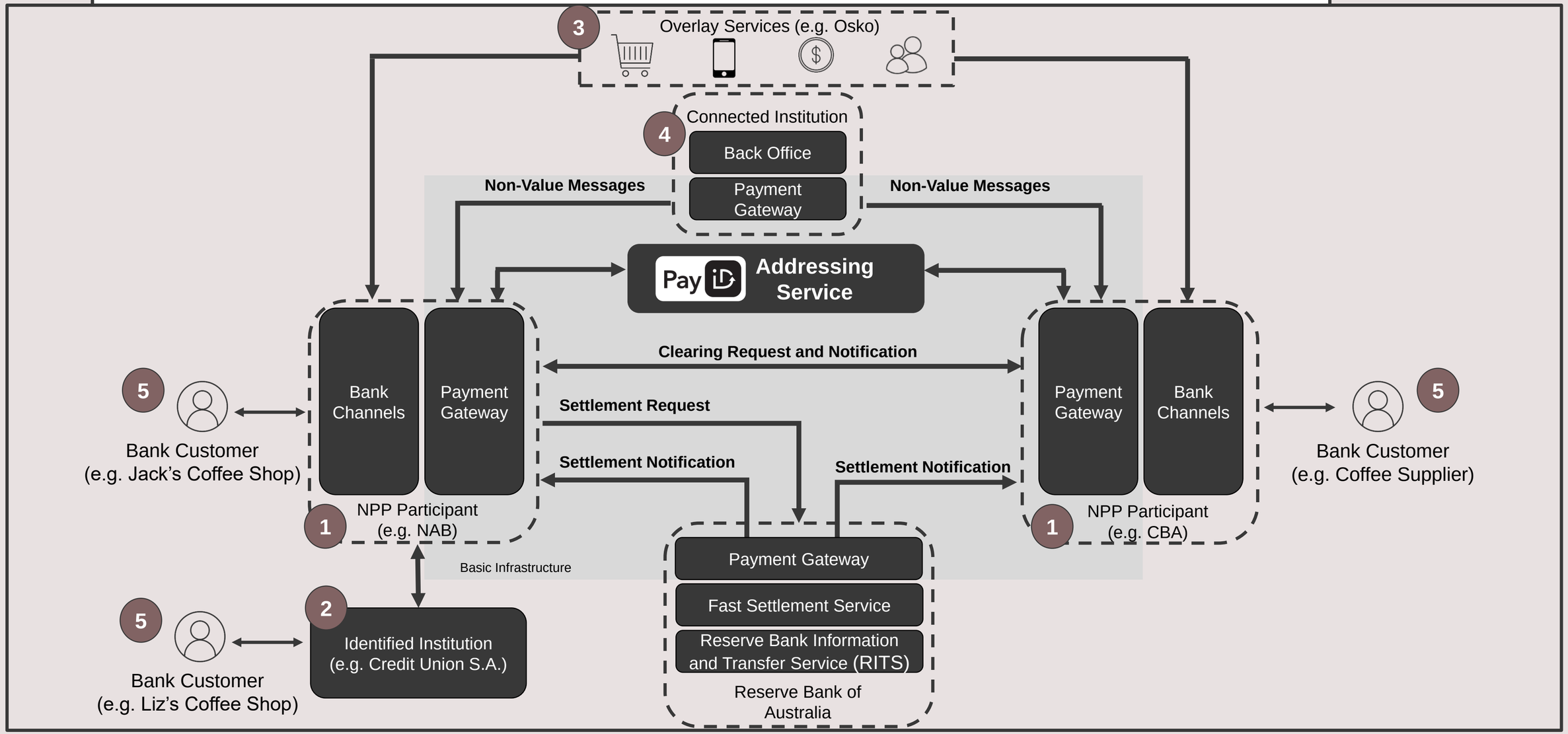
Options for accessing the NPP



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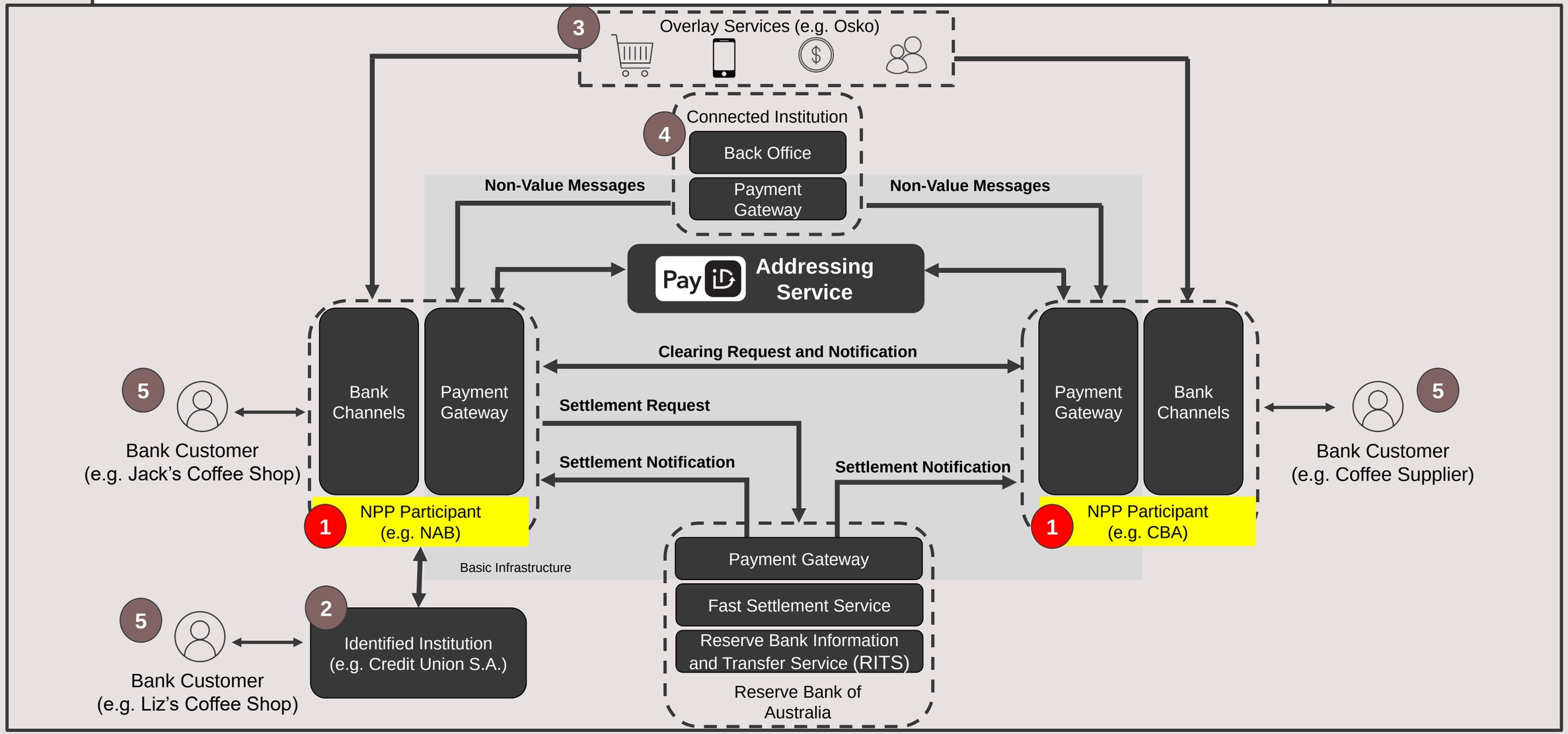
NPP Participant

New Payments Platform

NPP Participant



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Current NPP Participants

ANZ

ASL

Bendigo Bank

citi

HSBC

CommonwealthBank

Cuscal

indue

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How banking can be

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nab

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200 years proudly supporting Australia

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NPP Participants

Who

Financial institutions who wish to:

- Clear and settle payments
- Sponsor other organisations onto the NPP (i.e. Identified Institutions or Overlay Service Providers)
- Subscribe to Overlay Services
- Vote in and nominate for the NPPA Limited Board

Eligibility

1. Approved Deposit-taking Institution (ADI), including Restricted ADIs
2. Required to become a shareholder of NPPA Limited
3. Have an active Exchange Settlement Account (ESA) with the Reserve Bank of Australia
4. Be able to meet technical connectivity requirements

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NPP Participants – technical connectivity

Primary purpose of NPP PAG

- Connectivity for ***processing*** of payments

Technical requirements for NPP PAG

- 24/7 availability and resilience
- Meet NPP performance SLAs
- Meet minimum security standards and requirements
- Comply with Payment Card Industry Data Security Standard (PCI DSS) if receiving, transmitting or holding card data
- Integration with back office systems, including financial accounting systems, core banking systems, case management systems, etc.
- Integration into end channels, e.g. internet banking and mobile banking
- Implement the required operational processes within back office environments, e.g. handling of mistaken payments, integration of investigations process into case management system, etc.
- Implement processes regarding onboarding and offboarding customers, servicing customers, managing exceptions, risk management, etc.

Example Organisations

- Banks
- Wholesale payment service aggregators
- Agency service providers

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Identified Institutions

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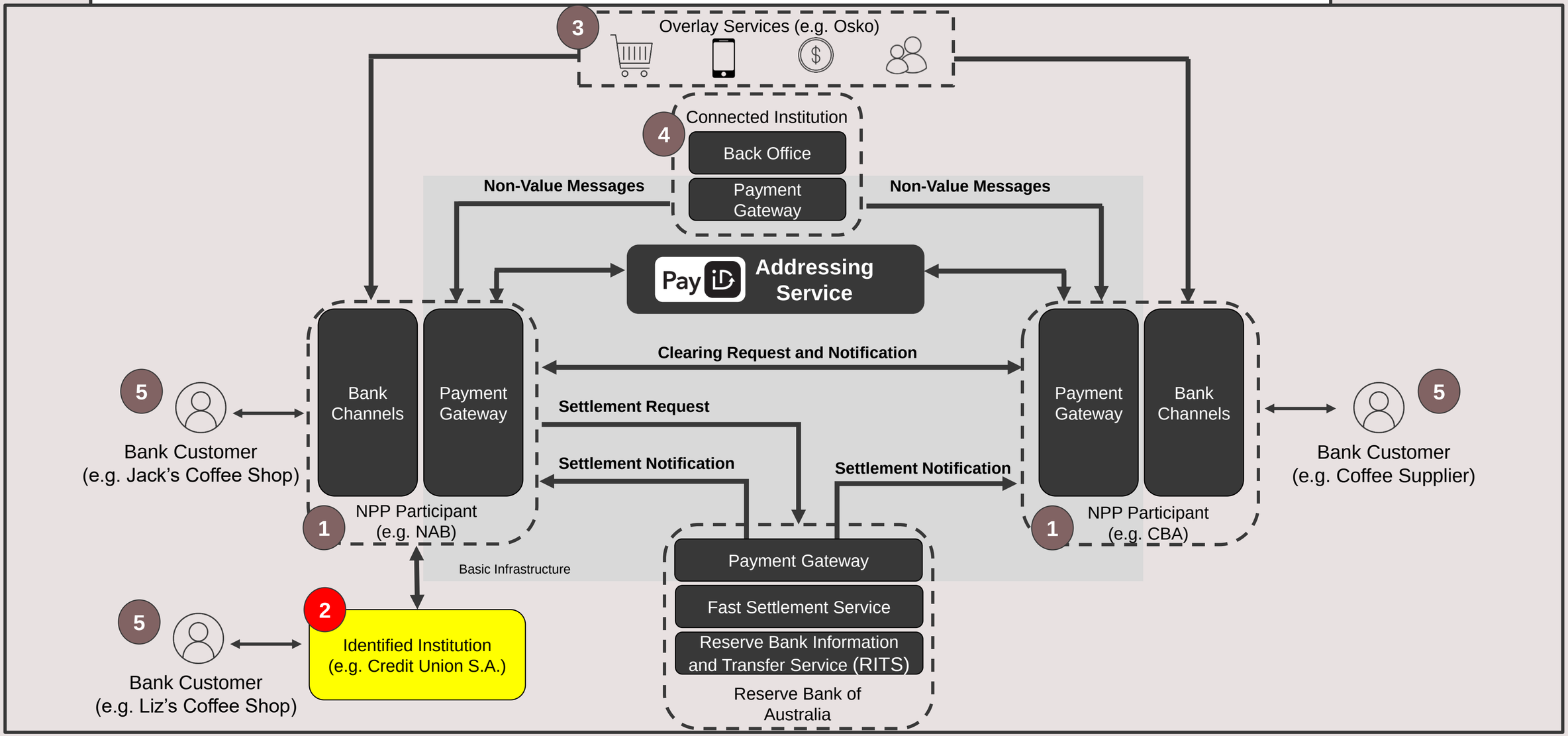
Options for accessing the NPP



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Current Identified Institutions

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Identified Institutions

Who

Organisations who wish to:

- Indirectly access the NPP
- Be able to provide customers with NPP payment services

Eligibility

1. Agreement with NPP Participant for connectivity
2. BSB and BIC code

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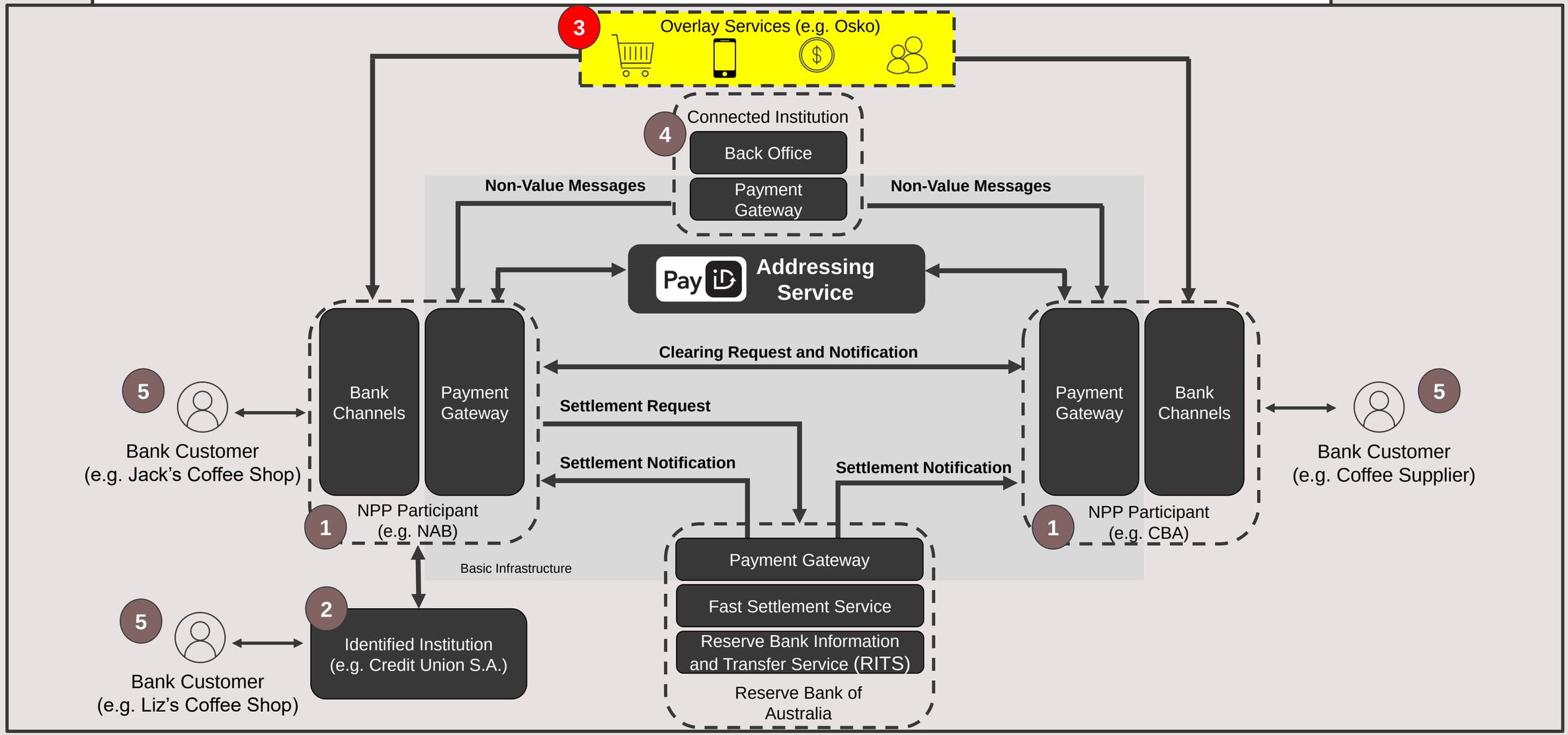
Overlay Service Providers

New Payments Platform

Options for accessing the NPP



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Current Overlay Service – Osko

Now Available

Quicker moving money

Money received in less than 1 minute

Flexible addressing

No need to share account details when using PayID

More information

More explanation with up to 280 characters

Confidence in Delivery

PayID Name is displayed to confirm the intended recipient and customer can receive immediate confirmation

Through your Financial Institution

Osko is in the majority of Financial Institutions' mobile & Internet Banking platforms

Future Offerings

More information

Payment with a document or link to externally hosted documents

Make a request to be paid

Simple requests with up to 280 characters using PayID. Easily track and reconcile which payment requests have been paid in part or in full

Visit www.osko.com.au for further information

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Overlay Service Provider

Who

Organisations who:

- Define the message set, data content to be used and how the message flows will work across the NPP
- Manage the ongoing governance and membership of the service
- Offer their service to NPP Participants and their customers

Eligibility

1. Be a body corporate, with an Australian place of business
2. Be financially viable/solvent
3. Have the requisite business expertise and have a comprehensive business plan for the proposed service

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Possible Future Overlay Services (Products)

E-Invoicing

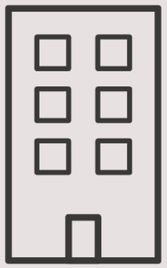
- Combine complex structured data with payment
- Solutions could range from simple, mobile based solution to more complex ones using accounting software or ERP systems

Stock Markets

- Faster payment of dividend payments, 24x7
- Streamlined and efficient corporate actions with electronic data capture, request for payment and no batch cut-off times

Compliance

- Deployment of new technology and capabilities to enhance and supplement current compliance processes
- Could be in areas such as KYC, AML and cybersecurity



Payroll

- Specific payroll product could incorporate data fields explicitly tailored to the industry's needs
- Payroll payments could be made real-time, 24x7 together with disbursements for tax or superannuation

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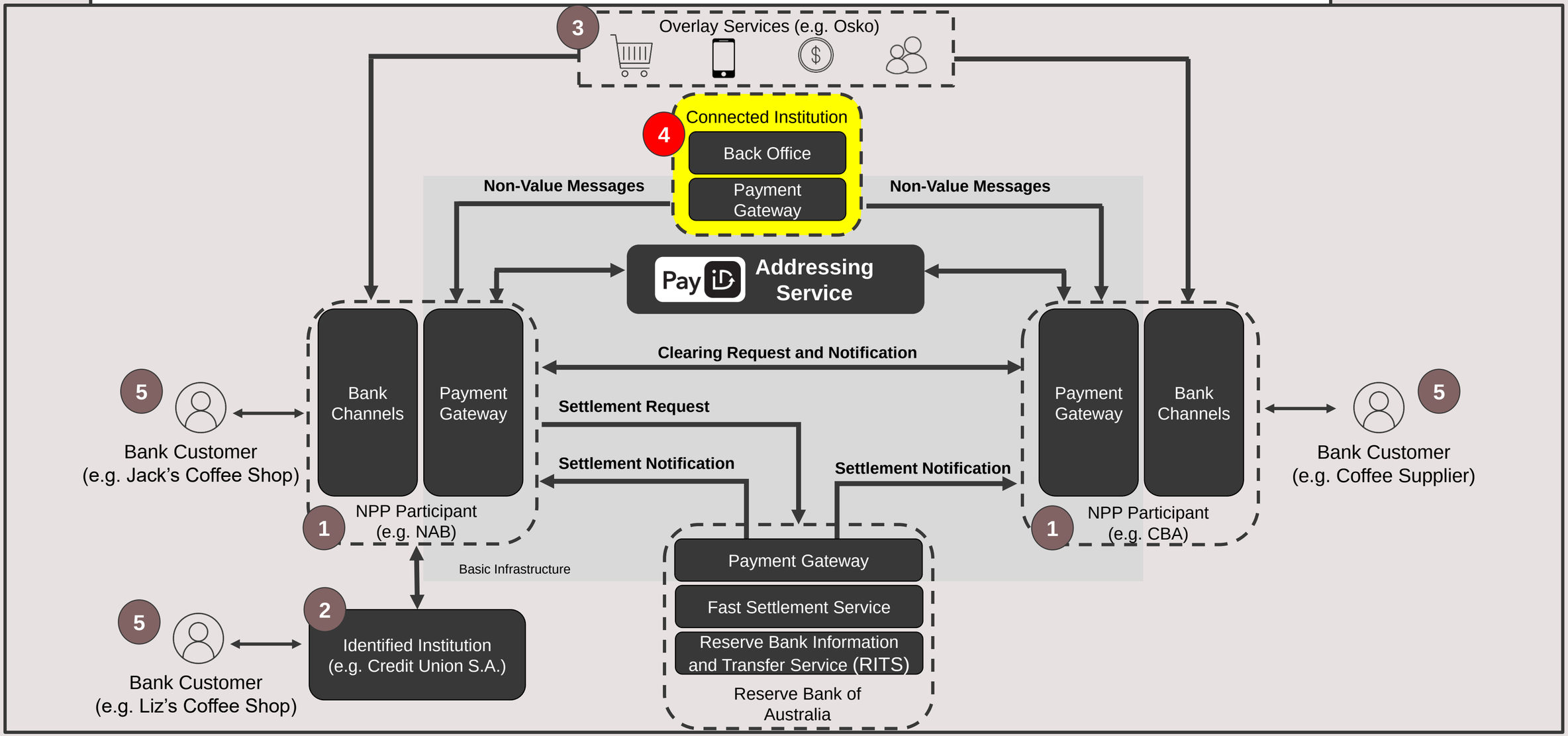
Connected Institutions

New Payments Platform

Options for accessing the NPP



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Connected Institutions

Who

Organisations who wish to:

- Connect directly to the NPP
- Send high volumes of non-value messages directly to NPP Participants to initiate payments

Eligibility

1. Be a body corporate, with an Australian place of business
2. Be financially viable/solvent
3. Be able to meet technical connectivity requirements

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Connected Institutions – technical connectivity

Primary purpose of NPP PAG

- Connectivity for ***sending payment initiation*** messages and receiving confirmations

Technical requirements for NPP PAG

- 24/7 availability to respond to messages
- Resilience
- Meet NPP performance SLAs
- Back office must be able to support a real time environment
- Meet minimum security standards and requirements
- Comply with Payment Card Industry Data Security Standard (PCI DSS) if receiving, transmitting or holding card data

Example Organisations

- Payroll providers
- B2B payment service providers
- Share registries

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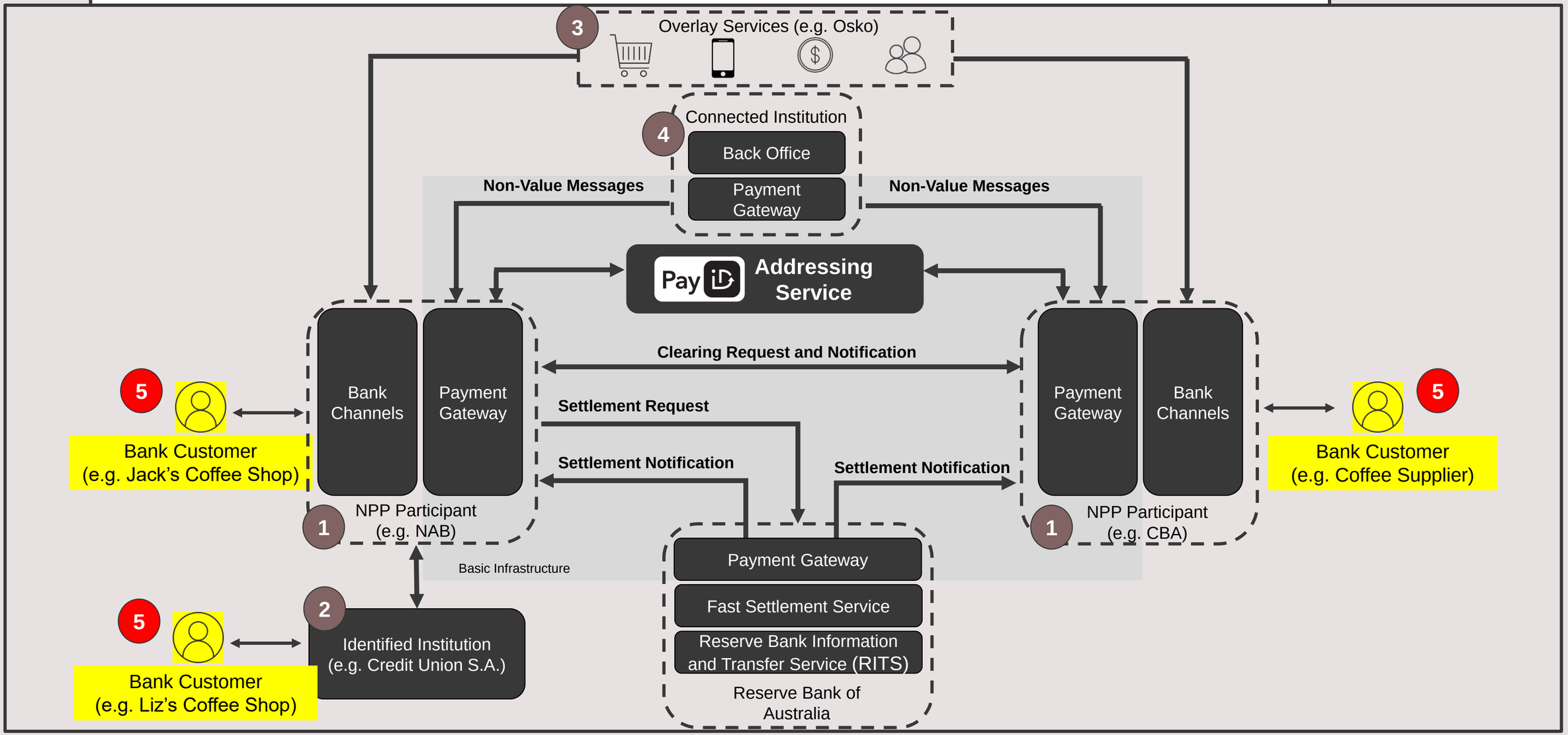
NPP User

New
Payments
Platform

Options for accessing the NPP



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NPP user

Who

Anyone who wishes to:

- Make or receive payments
- Leverage existing platform capability

Eligibility

- Hold a NPP-enabled bank account

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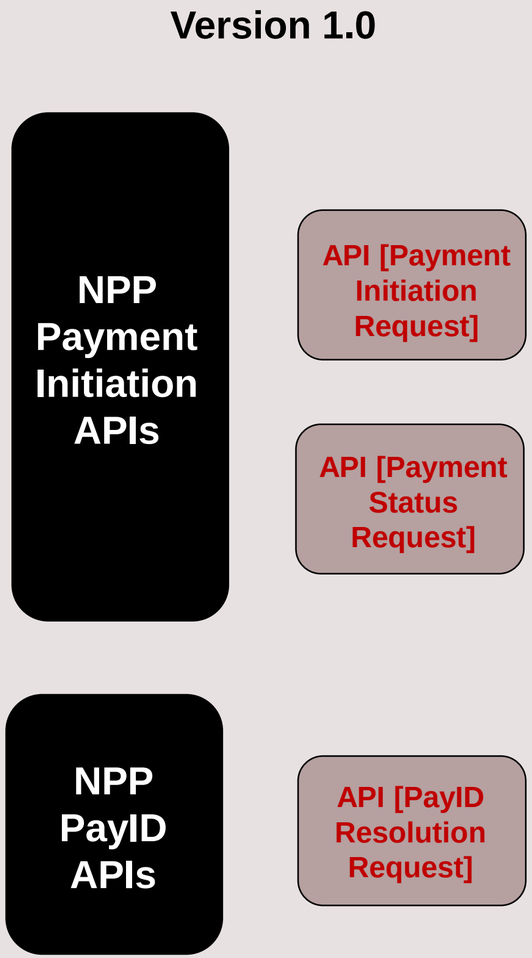
NPP API technical framework

- Framework defines the key technical approach (REST, JSON, etc.) and mandatory data attributes that each API should have for NPP use (i.e. the foundation layer that should not be altered)
- This mandatory layer can be built upon by others
- Data attributes aligned to ISO 20022 standards
- Initial release will focus on three APIs but will be extended over time
- Open and published API framework and specifications, owned and managed by NPPA; APIs developed by NPP Participants and other parties



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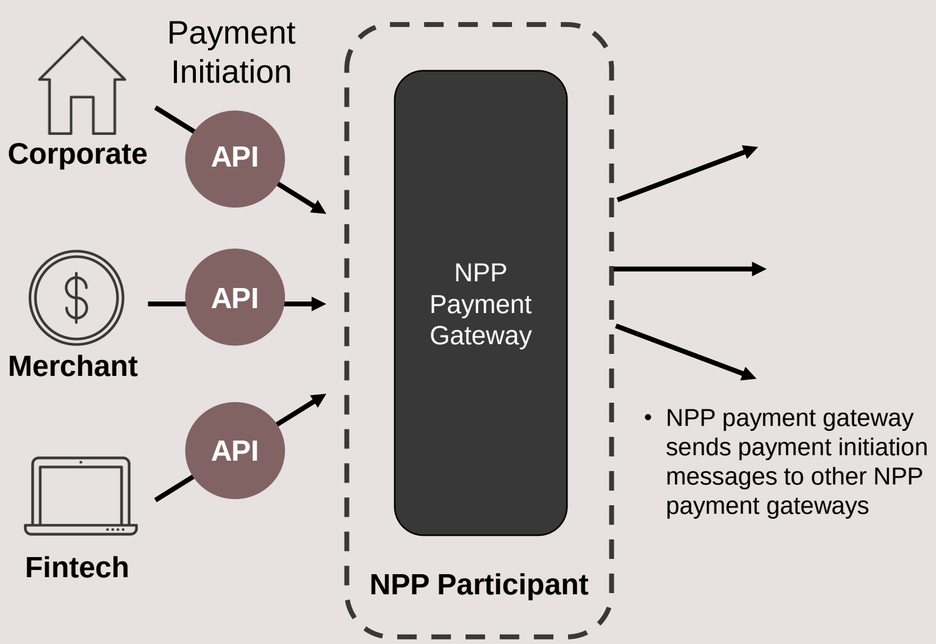
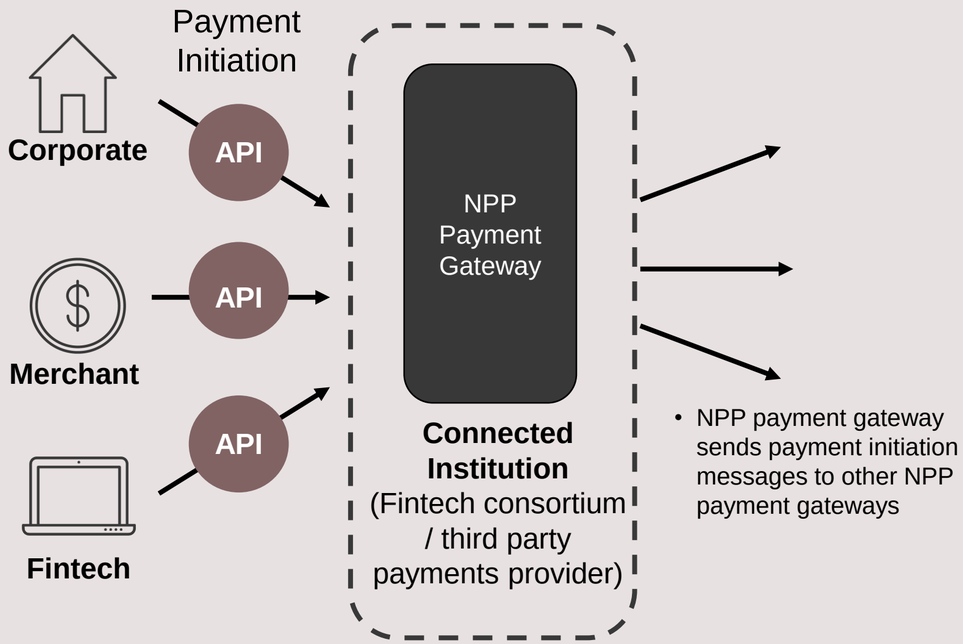
Initiating payments

Third parties such as Corporates and Fintechs will be able to initiate payments via APIs, either via an NPP Participant, or in the future, via Connected Institutions



- Third parties submit payment initiation messages via API's to an NPP Participant



- Third parties submit payment initiation messages via API's to an NPP Connected Institution

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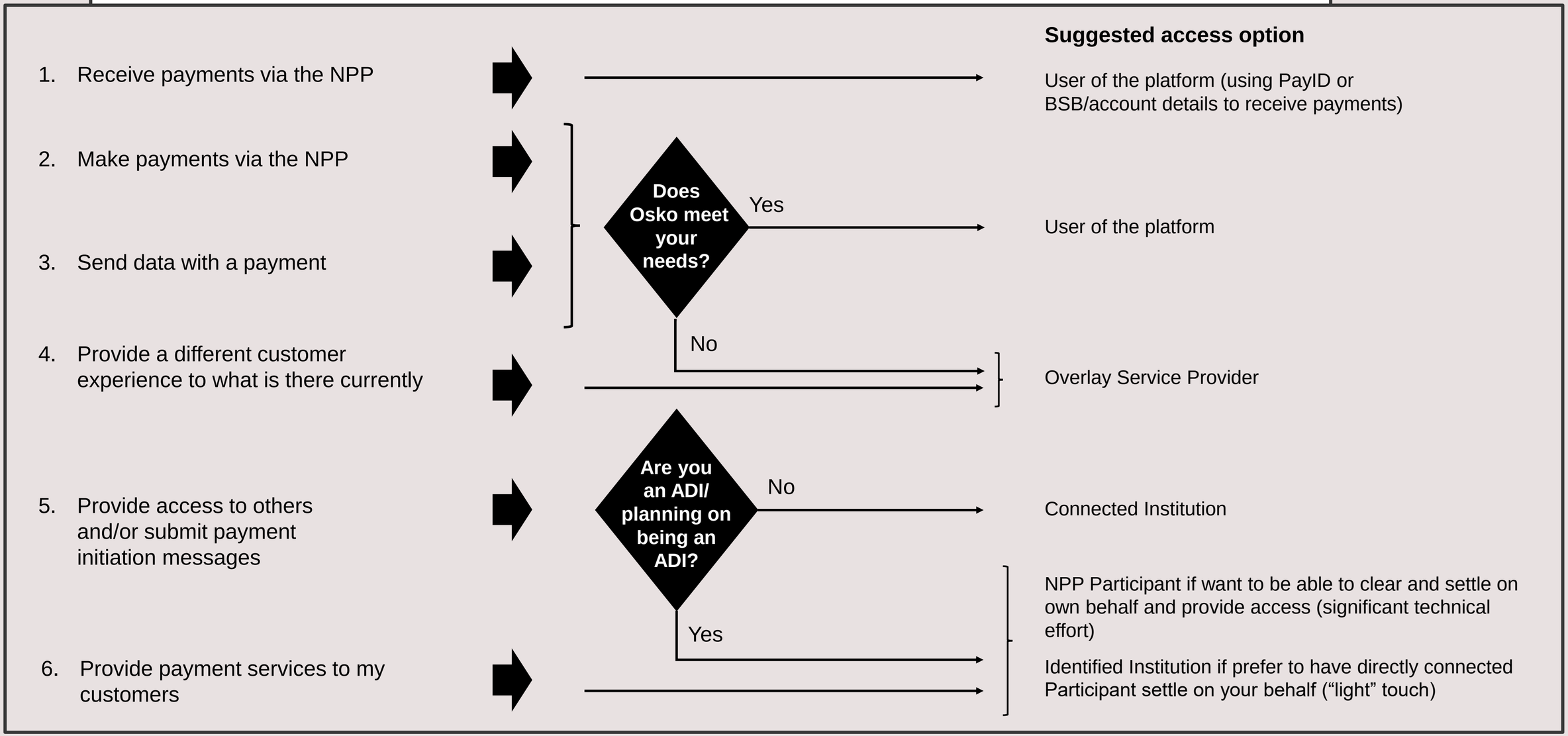
Access decision tree



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Thank you

New Payments Platform

For more information please contact the NPPA team on info@nppa.com.au

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